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accepted into the political life of South Vietnam. Even Prime Minister Huong reportedly believes that the announcement represents too great a concession to the Communists and that Thieu took the step under American pressure.

Thieu's proposal carries far-reaching implications for the South Vietnamese, and such initiatives generally lead to political ferment and maneuvering behind the scenes. Rumors of unlikely alliances among var-

ious ambitious political leaders are already beginning, as political opportunists look for ways to exploit any uncertainties created by the President's announcement. In addition, some South Vietnamese division commanders believe that the comment will create morale problems in the armed forces and will probably lead to an increase in the desertion rate, although a new troop indoctrination program explaining the issue has been ordered. (~~SECRET NO FOREIGN DISSEM~~)

### THAI INSURGENTS ATTEMPTING TO REVIVE MOVEMENT

Insurgent leaders in northeastern Thailand have made a major reappraisal of their strategy in an attempt to regain lost momentum.

Recent reports from a number of defectors have described a lengthy meeting last December of top Communists from a key insurgent area to consider how they could revive their stalled movement. The leaders acknowledged that the guerrilla effort had not been successful because of weak mass organization, and made plans to improve political support in the villages.

The Communists also devoted considerable attention to ways of improving the quality of their guerrilla units. Not only were more selective recruiting methods ordered, but plans were also drawn up to upgrade training and political motivation. In addition, the participants emphasized the need to expand their military effort into "new areas" free of superior government forces.

The Communists in the northeast have long been aware of their weaknesses. Hampered by serious morale and supply problems, and faced with increasingly effective government security operations, they have been on the defensive for nearly two years. They have taken some remedial steps to conserve their strength such as splitting up guerrilla bands into smaller groups, encouraging unreliable insurgents to defect, and removing ineffective leaders. The meeting in December, however, is the strongest indication to date that the leadership has decided to take firmer steps to correct their fundamental problems.

The Communists are under no illusions of being able to regain their previous momentum soon. Nevertheless, there are signs, including sporadic insurgent incidents in some previously unaffected areas, and the first reported distribution of uniforms, that some of their plans are being implemented. (~~SECRET NO FOREIGN DISSEM~~)

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